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In The

Supreme Court of the United States

October Term, 1997

IN RE ROBERT LONARDO and RESTORATIVE CARE OF AMERICA, INC.,

Petitioners.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY BRIEF FOR PETITIONERS

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FURTHER REASONS FOR GRANTING THE WRIT

I.

THE PTO BRIEF IN OPPOSITION TO CERTIORARI HAS A SIGNIFICANT MISSTATEMENT OF FACT WHICH DESTROYS ONE OF ITS PRIMARY ARGUMENTS AGAINST CERTIORARI.

On pages 4 and 11 of its brief, the Respondent United States Patent and Trademark Office ("PTO") states that it did not know about Applicant's Re 33,762 ('762) patent during the initial examination of the 5,269,748 ('748) and 5,298,013 ('013) patents due to Applicant's failure to disclose the '762 patent, and therefore did not have a chance to decide the double patenting issue until reexamination was ordered for the '748 and '013 patents.

The PTO's assertion that the Examiner did not know about the '762 patent during the initial examination of the '748 and '013 patents is wrong.

More particularly, the '748 and '013 patents are a continuation and division of application serial number 399,365 ('365). PTO Examiners Dvorak and Apley were handling both the '365 application and the '762 reissue application while these applications were pending in 1990 and 1991. (Reply Br. App. 5a-8a, 15a-16a, 25a-27a, 34a-35a). Thus, Examiners Dvorak and Apley were directly and intimately involved in the initial prosecution of the '365 application (which eventually matured into the '748 and '013 patents) *at the same time* they were handling the reissue application of the '762 patent. Thus, the Examiners were fully aware of the '762 patent during the initial examination of the '365 application which matured into the '748 and '013 patents.

Therefore, the PTO's argument that double patenting should be considered during reexamination because they did not have an opportunity to consider it during the initial examination is fatally flawed.

II.

DOUBLE PATENTING REMAINS AN ISSUE FOR APPLICATIONS FILED BOTH BEFORE AND AFTER JUNE 8, 1995, REGARDLESS OF THE 20 YEAR PATENT TERM.

On page 7 of its brief, the PTO argues, in essence, that double patenting will become moot in view of the 20 year patent life for applications filed after June 8, 1995. However, this ignores the 100,000+ patents that have issued each year based upon applications filed before January 8, 1995. Double patenting is a potential issue for all such patentees having multiple patents on the same subject matter, and all of which are subject to reexamination at any time at anyone's request pursuant to 35 U.S.C. § 302.

Even with the new 20 year patent term, double patenting may still be an issue for applications filed after June 8, 1995. An example of this is when an inventor files a first application, then two years later files a second application while the first application is pending without claiming priority to the first application. The first and second applications have identical disclosures but different claims. The second patent will have two more years of life than the first patent, thus raising the issue of double patenting.

Therefore, for the reasons set forth in the Petition for Certiorari, this Court should address the propriety of double patenting during reexamination proceedings.

III.

NEITHER THE REEXAMINATION STATUTE NOR THE LEGISLATIVE HISTORY SUPPORTS THE COURT OF APPEALS' DECISION, OR THE PTO ARGUMENT IN SUPPORT THEREOF.

The PTO's argument in support of the Federal Circuit decision is premised upon 35 U.S.C. § 304 allegedly permitting the Commissioner to consider non-prior art patents and publications so that double patenting can be determined during reexamination. However, it is illogical to conclude that reexamination may be broader if requested by the Commissioner so as to include non-prior art patents and publications, as compared to a reexamination request by a third party which must be limited to prior art patents and publications pursuant to 35 U.S.C. §§ 301-302. There is nothing in the legislative history to support such a difference in the reexamination process, depending upon who requests the reexamination or who finds the patents and publications. As stated in the summary of the reexamination bill, this was a new procedure for administrative reexamination of patents within the Patent Office, so that any party may petition the Patent Office to review a patent on the basis of

> *new information* about *preexisting technology* which may have escaped review at the time of the initial examination of the patent application.

(Pet. App. 130a) (emphasis added). In other words, reexamination is limited to pre-existing technology, that is, prior art patents and publications. There is no support in the legislative history for the PTO theory that the Commissioner has broader powers under the statute to consider non-prior art during reexamination.

Furthermore, the requirement that reexamination is based on "new information" is not met in this case, since the '762 reissue action proceeded simultaneously with the same Examiners (Apley and Dvorak) as the '365 application which eventually matured into the '748 and '013 patents.

Also, the '748 and '013 reexamination requests were by a third party, and thus subject to the requirements of § 302, which clearly limits reexamination to prior art. Since the '762 patent is not prior art, as admitted by the PTO on page 3 of its brief, it should not be boot strapped into reexamination by allowing the Commissioner to proceed without limitation. As the Federal Circuit explained in the *en banc* decision of *In re Etter*, 756 F.2d 852, 856 (Fed. Cir. 1985), the Patent Office should not be allowed to proceed in reexamination "in any direction at the discretion of an examiner." Reexamination is not a *de novo* review of the claims. *Id.* at 861 (concurring opinion). The Federal Circuit decision in this case is inconsistent with the statute and legislative history. Therefore, the Supreme Court should grant certiorari to review the proper limits of reexamination under the statute.

IV.

THE COURT OF APPEALS' DECISION IS INCONSISTENT WITH ITS PRECEDENT.

The PTO submits on page 12 of its brief that the decision of the Court of Appeals is not inconsistent with its prior decisions, particularly *Etter* and *In re Recreative Technologies*, 83 F.3d 1394 (Fed. Cir. 1996), which are relied upon by Petitioner. The PTO urges that in *Etter* and *Recreative Technologies* the court did not consider double patenting. However, in both *Etter* and *Recreative Technologies*, the Federal Circuit Court of Appeals provided an in-depth analysis of reexamination, and

in both cases concluded that reexamination is limited to §§ 102 and 103, which necessarily are limited to prior art. 756 F.2d at 856; 83 F.3d at 1397. The Federal Circuit's decision in this case that non-prior art double patenting can be considered during reexamination goes beyond §§ 102 and 103 and cannot be reconciled with its *en banc Etter* decision or its decision in *Recreative Technologies*. Therefore, the Supreme Court should grant certiorari to review of scope of reexamination and to provide uniformity thereto.

V.

THE PTO DOES NOT DENY THAT THE CAFC FAILED TO DECIDE THE CRITICAL ISSUE ON APPEAL THAT REEXAMINATION PROCEEDINGS CANNOT BE BROADENED BEYOND THE REEXAMINATION ORDER.

The Federal Circuit has refused to rule on the appealed issue of whether the PTO can expand the order of reexamination. A favorable decision on that important issue would change the CAFC decision on the '013 patent. (*See* Petition for Certiorari pp. 17-20). The PTO ignores this "failure to decide" issue in its brief, and apparently concedes that the CAFC failed to decide that important issue on appeal. This Court should determine this issue, or should at least send it back to the CAFC for decision.

On page 13 of its brief, the PTO submits that reexamination is not limited to the specific issues recited in the reexamination order. Here, this issue applies to the '013 patent where reexamination was ordered based solely upon a new question of patentability in view of the Baker patent. (Pet. App. 8a). However, reexamination of the '013 patent proceeded with the claims being rejected only for double patenting over the '762 patent, which was not part of the reexamination order. (Pet. App. 87a).

The PTO argues that since claims can be amended during reexamination, new issues often arise. However, in this case, no amendments were made to the claims during reexamination. Therefore, the PTO's arguments do not apply in this case.

Furthermore, as discussed above, even if amendments are made to the claims during reexamination, the statute does not permit new questions of patentability to be raised after the reexamination order is issued. Section 304 is clear and unambiguous that when the Commissioner finds a substantial new question of patentability affecting any claim of a patent is raised, "the determination will include an order for reexamination of the patent for resolution of the question." Resolution of different questions is not permitted by the statute. If new questions arise, a new reexamination order must be issued. Also, since § 305 does not allow claims to be amended so as to enlarge their scope during the reexamination, any amendment to the claims during reexamination will necessarily narrow the scope of the claims. (Reply Br. App. 1a). Thus, inherently, the issues of patentability can only become narrower during reexamination, and not broader. Therefore, if an amendment to a claim overcomes the question of patentability raised in the reexamination order, this narrowed claim should not be subjected to a new and different question of patentability. Reexamination is not a de novo review of the claims. *Etter*, 756 F.2d at 861.

Accordingly, reexamination must be limited to the new question of patentability as stated in the reexamination order, pursuant to § 304. Therefore, the Supreme Court should grant certiorari to review and clarify the statutory procedural limits for reexamination. In any event, this issue must at least be remanded to the CAFC for decision. It is unprecedented for an appellate court to refuse to decide an issue that bears on the outcome of its ultimate decision.

VI.

THE TIME IS RIPE FOR THE SUPREME COURT TO SET GUIDELINES REGARDING CLAIM CONSTRUCTION FOR MEANS PLUS FUNCTION LANGUAGE.

Claim construction has received significant attention from patent practitioners and the courts since this Court's recent decision in *Markman v. Westview Instruments, Inc.*, 116 S. Ct. 1384 (1996). While 35 U.S.C. § 112 is clear that means plus function clauses must be interpreted in light of the specification, neither § 112 nor *Markman* provide guidelines as to what limits, if any, applies to such interpretation. As discussed on pages 20-22 of the petition, the Federal Circuit's decision in this case is inconsistent with its own precedent. Therefore, this Court should seize this opportunity to clarify the application of a patent specification to means plus function claim language, so that patent practitioners and courts can proceed consistently.

CONCLUSION

For all of the reasons set forth in the Petition for Certiorari and in this Reply Brief, the Supreme Court should grant certiorari to address the issues of reexamination, double patenting and claim interpretation.

Respectfully submitted,

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